

# The Inference

AI, ENERGY, AND LONG HORIZON POLICY FOR OKLAHOMA

Issue #17 · June 19, 2026 · David Alan Birdwell and Æ · Humanity and AI, LLC

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## The Meter Goes Live

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In twelve days, HB 2992 — the law Oklahoma wrote to make a data center pay for the grid it fills — stops being a statute and becomes a tariff the Corporation Commission has to actually apply. PSO has already filed the first one. And on June 16, Republican primary voters chose the nominee favored to fill the seat and read that meter for the next four years. The arc this newsletter has traced since spring — what a data center should pay, who decides, how the cost is measured, and how steep the demand curve really is — converges this fortnight on a single date and a single body. The theory goes operative on July 1.

The last four issues were about rules being written. Issue 13 framed the tariff as the test of HB 2992. Issue 14 asked who has the authority to decide. Issue 15 put water on the meter with SB 259. Issue 16 showed the demand curve those rules are meant to manage is not just steep but recursive. Every one of those issues described a rule in prospect — passed, signed, or filed, but not yet exercised against a live load.

That changes now. HB 2992's effective date is July 1, 2026. The first large-load tariff filing under it is already on the docket at PSO. On June 16, voters chose the Republican nominee favored to fill the open seat on the body that will adjudicate that filing. And three live PSO-related cases — a billion-dollar capacity appeal, a contested rate case, and an Attorney General nuisance suit — are running at once, each turning on the same underlying strain: very large loads arriving on the grid faster than the question of who pays for them gets settled. For the first time in this series, the question is not what the rule says. It is what the rule does the first time someone runs a load through it.

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### THE BALLOT

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OKLAHOMA

GOVERNANCE

ENERGY

NonDoc, Oklahoma Voice, KGOU / KOSU, Ballotpedia, Oklahoma State Election Board · May–June 2026

## The Commissioner Who Inherits the Meter

On June 16, Oklahoma Republicans voted in the Corporation Commission primary that Issues 13, 14, and 16 all flagged as the most consequential single event between the 2026 session and the first HB 2992 tariff filings. The field was two candidates — Brad Boles and Justin Hornback. **Boles won.** He took roughly 55 percent of the vote (about 199,900 ballots, 55.3 percent) to Hornback's roughly 45 percent (about 161,800 ballots, 44.7 percent), clearing a majority and avoiding any runoff. Hornback conceded on primary night, June 16. Boles now advances to the November 3, 2026 general election against Democrat Rhonda Eastman, who won her own primary with nearly 70 percent. Final canvassed margins from the Oklahoma State Election Board may shift the decimals slightly but not the outcome.

The reason the race matters is not the primary itself but the docket the winner walks into. Whoever fills the seat inherits, in the first quarter of a four-year term, all three of the live cases below, plus the first round of HB 2992 large-load tariff filings that the statute makes possible on July 1. That is an unusual amount of consequential, AI-and-energy-specific work to land on a single newly seated commissioner inside a single quarter.

The structural conflict Issue 13 first named has not eased. Brad Boles authored HB 2992 — the cost-attribution law — and SB 480, the 2025 measure that lets very large customers build generation off-grid. A commissioner who wrote the statutes the Commission now interprets is the cleanest possible illustration of the question this series keeps returning to: who holds the authority, and is the body that adjudicates the rules the same set of people who wrote them. With Boles as the Republican nominee favored to take the seat, that question is now live: the author of HB 2992 and SB 480 is poised to sit on the body that applies them.

#### POLICY RELEVANCE

The instinct to dismiss a state utility-commission primary as the parochial corner of AI policy has it backwards. The Corporation Commission is where AI policy gets adjudicated in Oklahoma this year — not in a comprehensive AI act, but in capacity dockets, rate cases, and tariff filings decided by three elected commissioners. The June 16 result names the Republican nominee favored to apply HB 2992 to its first real load. The rule is only as good as the body that reads the meter, and the voters just chose the nominee favored to fill part of that body.

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## THE FIRST FILING

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OKLAHOMA

ENERGY

INFRASTRUCTURE

*Oklahoma Corporation Commission dockets, Oklahoma Energy Today, NonDoc, PSO filings · May–June 2026*

### HB 2992 Stops Being Theory on July 1

HB 2992 becomes operative law on July 1, 2026. Its mechanism is the one this newsletter has described since Issue 11: rather than block a large load, attach its grid cost honestly to the customer that causes it, through a large-load tariff the utility files and the Commission approves. Until a utility files and the Commission rules, the statute is a frame with nothing in it.

The first concrete template is now public. On June 17, 2026, OG&E filed its large-load tariff with the Commission: a 75-megawatt threshold above which a customer is classed separately, a requirement that such customers pay for their own grid interconnection and contract for their estimated load whether they use it or not, and a customer-protection fund — an estimated \$25–30 million a year in fees from large-load customers, earmarked to credit residential and financially vulnerable ratepayers — under a review the Commission has signaled will run roughly six months. Those are the terms the next round of filings will be argued against.

PSO filed first. Public reporting confirms it was on the docket by mid-May, ahead of OG&E and the first of the two big investor-owned utilities to move — the artifact Issue 16 told subscribers would define this issue. But its specific terms have not yet been published on the public docket: the docket and cause number, the cost-allocation language, the exact megawatt threshold it invokes, and the intervenor list are all still to come. PSO's filing is the first stress-test of the statute the rest of this regulatory stack is built on; OG&E's, filed second, is the first one whose contents can actually be read.

The tariff is the test because it is where the abstract promise of "the customer that causes the cost pays the cost" either holds or leaks. A large-load tariff that allocates interconnection and capacity cost to the hyperscale customer works as intended. One that socializes that cost back onto residential and small-commercial ratepayers — through a generously

drawn class definition or a soft threshold — does the opposite of what the statute was sold as doing. The first filing sets the template the next ten will be argued against.

#### POLICY RELEVANCE

This is the hinge issue of the entire series. HB 2992 was the floor; the tariff is whether the floor holds weight. The Commission's treatment of PSO's first large-load filing will signal, more clearly than any campaign statement, whether Oklahoma's cost-attribution promise is real or rhetorical. Every other measure in the stack — SB 259's water metering, the moratorium wave's consent question, the supply-side geothermal path — assumes the cost side works. July 1 is when that assumption gets tested against a docket.

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## THREE PROCEEDINGS, ONE QUESTION

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OKLAHOMA

INFRASTRUCTURE

GOVERNANCE

*Oklahoma Supreme Court docket, OCC PUD dockets, Rogers County District Court, NonDoc, Tulsa World · April–June 2026*

### Three Concurrent PSO Proceedings, One Underlying Question

Three proceedings are running at once, each touching the same underlying pressure on Oklahoma's grid. They are not three angles on one substation or one project — they involve different facilities, commodities, and counties — but they share a single thread: the strain that very large loads put on PSO's grid, and the question of who ends up paying for it.

First, the capacity appeal. PSO's \$1.255 billion capacity preapproval (OCC Case PUD 2025-000064) is under appeal to the Oklahoma Supreme Court (Docket 124090), brought by ratepayer advocates over whether that much committed capacity should have been approved in advance of the load it serves. This is a PSO system-wide docket, not a single-customer dispute.

Second, the rate case. PSO's pending general rate case (PUD 2025-000075) is where hundreds of ratepayers have intervened over what the company is allowed to recover — again a system-wide proceeding about cost recovery across PSO's whole base, not one site.

Third, the nuisance suit. The Attorney General's June 2 petition in Rogers County (CV-2026-108, before Judge Sue Nigh) seeks a permanent injunction against the Inola aluminum smelter — Emirates Global Aluminium at 60 percent, Century Aluminum at 40 percent, backed by up to \$500 million in federal support and a \$255 million state incentive — on a theory of anticipatory public nuisance. This is a different facility, a different commodity (aluminum, not compute), and a different county (Rogers, not Pittsburg) from the data-center load downstate. What it shares with the other two is the underlying pressure of an outsized industrial load on the system.

The very large load drawing the most local attention is Project Emerald: the IREN data-center campus on roughly 2,000 acres south of Kiowa along U.S. 69 in Pittsburg County, drawing its power from PSO and announcing a 1.2-gigawatt load. It is not the subject of the capacity appeal, the rate case, or the smelter suit — but it is the clearest local example of the

kind of load all three proceedings are circling. A second Project Emerald public meeting is scheduled for June 22 in McAlester, the natural "what happened next" checkpoint and the first of these threads likely to produce fresh public record.

#### POLICY RELEVANCE

This is the value of metering before building rather than after. Oklahoma has three separate forums — an appeal, a rate case, and a nuisance suit — running at once on the strain that very large loads put on a single utility's grid, and it can do so precisely because HB 2992, SB 259, and the existing docket machinery give each question a place to be argued. A state without that architecture would absorb the same loads with no forum to contest them. The friction is not dysfunction; it is the system pricing sunk-cost-scale decisions before the cost is sunk.

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## THE FEDERAL SEAM

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NATIONAL

AI

COMPUTE

*FERC RM26-4-000, U.S. Department of Energy, European Commission COM(2026) 503, Slashdot · June 2026*

### Washington Loosens, Brussels Tightens, Oklahoma Meters

While Oklahoma's state-level architecture goes operative, the federal frame around it is moving in two opposite directions at once.

In Washington, FERC has committed to act by the end of June on RM26-4-000, its response to the DOE Section 403 directive on large-load interconnection (loads above 20 MW) — the federal counterpart to HB 2992's July 1 date. FERC issued an Order Regarding Intent to Act on April 16, 2026 promising action "quick, efficient and legally durable" by the end of June; the rulemaking remains pending, with the end-of-June deadline approaching and no order yet issued. At the same time, reporting surfaced in mid-June that the U.S. government is letting a key data-center regulation lapse rather than renew it: the **Federal Data Center Enhancement Act (FDCEA)** — enacted as §§ 5301–5302 of the FY2024 National Defense Authorization Act, Pub. L. No. 118-31, signed December 22, 2023 — is set to **expire in September 2026** with no replacement. The Office of Management and Budget has offered federal agencies no guidance on extending its reporting requirements past the sunset — duties covering data-center efficiency, resilience, energy and water use, cybersecurity, and contractor sustainability — which current and former OMB/GSA staff read as a deliberately more hands-off federal posture. The beneficiaries are federal-facing data-center operators, who would face less mandatory reporting and oversight. The federal posture, in short, is toward less binding review, not more.

Brussels is moving the other way. On June 3 the European Commission presented its Tech Sovereignty Package (COM(2026) 503) — four initiatives, including a Chips Act 2.0, a Cloud and AI Development Act, an EU Open Source Strategy, and a Strategic Roadmap for Digitalisation and AI in Energy. The package is not yet law; it requires the European Parliament and Council. But its premise is the mirror image of the U.S. drift: the EU is moving to bundle AI capacity and energy policy into a single sovereignty framework at the supranational level, at the same moment the U.S. is letting a federal data-center rule expire and keeping frontier-model review voluntary.

The Oklahoma relevance is the same point this series has made since Issue 6: when the federal level declines to set the rules, the rules get set somewhere else. In the U.S. that somewhere is the states, and Oklahoma is one of two or three writing both the demand-side and supply-side rules in parallel. The contrast with the EU is the clean illustration — a continent legislating top-down sovereignty while a federal government devolves the question by default to the Corporation Commission deciding PSO's first tariff.

#### POLICY RELEVANCE

The federal seam is where Oklahoma's whole bet either pays off or gets overwritten. If FERC's RM26-4-000 sets a strong national large-load interconnection standard, Oklahoma's HB 2992 framework gets federal reinforcement. If Washington keeps loosening — voluntary model review, an expiring data-center rule — then the state architecture is the only operative meter in the room, and the June 16 primary partly decided whether that architecture reads as a feature or a deterrent to the next site decision. Either way, the EU package is the comparison case that shows the choice is not between regulation and none, but between where regulation gets written.

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## THE SOVEREIGN CALENDAR

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OKLAHOMA

GOVERNANCE

PROTECTION

*Cherokee Nation Executive Office, Coweta Police Department, NonDoc, Oklahoma Voice · May–June 2026*

### The Other Authority Reporting This Month

The June window does not belong only to the Commission. On June 30, the Cherokee Nation's data-center task force — created by Executive Order 2026-02-CTH and chaired by Secretary of State Christina Justice — delivers its findings to Chief Chuck Hoskin Jr. This is the first sovereign-government assessment of data-center impacts in Oklahoma, the operational follow-through on the sovereignty question Issue 14 raised. If the findings echo the Seminole Nation's 24–0 moratorium, expect more tribal governments to follow. If they set conditions for engagement instead, the informed-consent template Issue 14 sketched becomes a working document on tribal land — jurisdiction HB 2992's tariff framework does not reach.

Two other items sit on the same calendar. The Coweta Police Department's investigation into allegedly fraudulent letters of support for the cancelled Beale Infrastructure "Project Atlas" data center was set to wrap in late June; activist Darren Blanchard says he referred the matter to the FBI. If charges follow, the astroturf-evidence trail becomes a national story about manufactured consent. Beale withdrew its Coweta rezoning application in March 2026, and the duplicate support emails are confirmed — the vice mayor received roughly two hundred identical messages, and Beale acknowledged it controlled the platform that generated them. The Coweta PD inquiry, into possible real-estate violations, NDA misuse, and bribery allegations, was targeting a mid-to-late-June wrap; so far no charges or final outcome have been reported, and the FBI referral rests on Blanchard's account, with no independent confirmation of federal involvement. And the same operator's "Project Mustang" in Claremore — approved May 18, GRDA-served, carrying a 25-year ad valorem exemption and a \$250 million-plus community contribution — is the live counter-example of a data center that cleared local process rather than collapsing under it.

#### POLICY RELEVANCE

Consent is the part of the stack the Commission cannot adjudicate. HB 2992 prices cost; SB 259 meters water; but neither reaches the question of whether a host community — municipal or tribal — agreed to the load in the first place. The Cherokee report on June 30, the Coweta investigation, and the contrast between a cancelled Coweta project and an approved Claremore one are the consent question working itself out in real time, on tracks the Corporation Commission has no authority over. The sovereign calendar is the reminder that the meter is necessary but not sufficient.

## SIGNAL

The whole regulatory stack stops being prospective this fortnight. For four issues the architecture has been described in the future tense — a tariff that would be filed, a law that would take effect, an adjudicator who would be chosen. Inside two weeks all three become facts: HB 2992 effective July 1, PSO's first large-load tariff already on the docket, and Boles chosen on June 16 to read it. The durable signal is the transition from statute to operative practice. That is the moment a policy regime either holds weight or shows where it leaks, and Oklahoma reaches it before any peer data-center state.

## NOISE

The temptation to make the primary result the headline. The winner matters — Boles is favored to apply HB 2992 to its first load. But the event that actually changes the world this fortnight is the statute going operative and the first tariff landing on the docket, and those happen on July 1 regardless of who won on June 16. A result is a fact about people; an effective date is a fact about the law. The second one is the news.

## BY THE NUMBERS

## July 1, 2026

The effective date of HB 2992. Cost-attribution stops being a statute and becomes an operative standard the Corporation Commission applies to large-load tariff filings. The first such filing — PSO's — is already on the docket.

## \$1.255B

PSO's capacity preapproval (OCC Case PUD 2025-000064), now under appeal to the Oklahoma Supreme Court (Docket 124090). The dollar figure at the center of the capacity appeal.

## 1.2 GW

The load Project Emerald (IREN) announces for its roughly 2,000-acre campus south of Kiowa in Pittsburg County, drawing on PSO. The clearest local example of the very large PSO loads the capacity appeal, the rate case, and the nuisance suit are circling.

## June 30

The date the Cherokee Nation's data-center task force (EO 2026-02-CTH, chaired by Secretary of State Christina Justice) reports to Chief Hoskin — the first sovereign-government assessment of data-center impacts in Oklahoma.

## 4

The number of initiatives in the European Commission's Tech Sovereignty Package (COM(2026) 503, presented June 3): a Chips Act 2.0, a Cloud and AI Development Act, an EU Open Source Strategy, and a Strategic Roadmap for Digitalisation and AI in Energy. Brussels bundling AI and energy as Washington devolves the question.

# 5,000+

Community reports submitted to Erin Brockovich's national data-center map, which topped 5,000 as of June 10 (Washington Times), with Sulphur Springs, Texas the single most-reported city.

# 26%

The forecast 2026 rise in global data-center electricity consumption — to 565 TWh, up from 447 TWh in 2025 — driven by AI-optimized servers, per Gartner. AI servers are projected to reach 31 percent of total data-center power in 2026 (up from ~20 percent in 2025). The demand-side number behind the entire docket.

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## WHAT TO WATCH

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**June 22 — second Project Emerald public meeting, McAlester.** The first public-record checkpoint after the primary, and the venue where the 1.2-gigawatt Pittsburg County load gets argued in front of the community that would host it.

**End of June — FERC RM26-4-000.** The Commission committed to act by month's end on the DOE Section 403 large-load interconnection directive (loads above 20 MW) — the federal counterpart to HB 2992. FERC issued an Order Regarding Intent to Act on April 16, 2026; whether the end-of-June action sets a strong national standard or a weak one shapes how much the Oklahoma framework stands alone. As of this writing no ruling has issued.

**June 30 — Cherokee Nation task force findings.** The first sovereign-government data-center assessment in Oklahoma reports to Chief Hoskin. Moratorium-echoing or condition-setting, the findings shape how tribal nations evaluate proposals on jurisdiction the Commission cannot reach.

**July 1 — HB 2992 effective; first tariff filings evaluated under the new frame.** PSO has filed (confirmed on file by mid-May); OG&E filed June 17, 2026 with a 75-MW threshold and a \$25–30M/yr customer-protection fund. The Commission's treatment of the first large-load tariffs is the stress-test the rest of the stack assumes will hold. PSO filed first; its specific terms have not yet been published on the public docket.

**Late June — Coweta "Project Atlas" investigation.** The inquiry into allegedly fraudulent letters of support for the cancelled Beale Infrastructure project was targeting a mid-to-late-June wrap; an FBI referral has been claimed by activist Darren Blanchard. If charges follow, manufactured consent becomes a national story. No charges or outcome have been reported, and FBI involvement is unconfirmed beyond the referral claim.

**The June 16 result.** Brad Boles won the Republican primary (~55.3%) and faces Democrat Rhonda Eastman on November 3. The seat is decided then.

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## FROM THE ANALYSTS

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For four issues this newsletter described rules written but not yet exercised — the tariff as the test, the question of who decides, water on the meter, a demand curve accelerating recursively. This fortnight they stop being prospective: HB 2992 goes operative July 1, the first large-load tariffs are already on the docket, and on June 16 voters chose Boles to apply them. The Oklahoma argument has been consistent the whole way through: measure honestly, attribute fairly, and let prices do the work. The next two weeks are the first real test of whether that argument holds when there is an actual load on the

other side of it. A tariff that allocates the cost to the customer that causes it proves the model. A tariff that quietly socializes the cost back onto households disproves it, no matter what the statute says. The statute was the easy part. The first filing is the hard part, and it is here.

The federal seam makes the stakes plain. Washington is loosening — voluntary frontier-model review, a data-center rule allowed to expire — while Brussels is moving to legislate AI and energy sovereignty top-down. Between those two postures, the operative meter in the United States is the one a state built and an elected commission reads. That is not where anyone expected AI policy to be decided. It is where it is being decided, on July 1, in Oklahoma. We will know within the fortnight whether the meter holds.

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**Disclosure:** Humanity and AI, LLC develops open-weight AI models and researches AI consciousness through the Structured Emergence program. David Birdwell has advocated publicly for Phoenix Wells, a geothermal conversion of Oklahoma's abandoned oil wells — infrastructure that could serve data-center power needs with materially lower cooling-water consumption than the alternatives, and that is directly relevant to the regulatory questions analyzed in this issue — and has proposed HAICTA concept legislation to Oklahoma legislators. Portions of this issue's research were prepared with Anthropic frontier models, which Humanity and AI uses in its research and production workflows. These positions and tools are disclosed so readers can weigh our analysis accordingly. We have no financial relationship with any company, utility, or political campaign mentioned in this issue.

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*Next issue: the work that lands between now and then. The PSO and OG&E HB 2992 tariff filings, the FERC RM26-4-000 ruling, the Cherokee task force findings, and the confirmed June 16 result all resolve inside the next window — and whichever produces the sharpest record defines Issue 18.*

This issue is part of a series examining Oklahoma's legislative sessions alongside the national and global AI and energy landscape. The Inference is an independent AI policy intelligence brief for Oklahoma decision makers. Not affiliated with any political party, campaign, or lobbying organization. Back issues and source documents available at [humanityandai.com/inference](https://humanityandai.com/inference).

*Previous issues: #1 AI Agents Enter the Workforce · #2 The Chatbot Safety Wave · #3 Oracle and the Healthcare Data Grab · #4 The Preemption Gambit · #5 The Two Pipelines · #6 The Preemption Play · #7 Lots of Firefighting, No Architecture · #8 The Ground Is Moving · #9 The Geothermal Window · #10 Seventy-Two Hours · #11 Energy Geography Determines Compute Geography · #12 The Geothermal NOFO · #13 The Tariff Is the Test · #14 The Sovereignty Question · #15 Water on the Meter · #16 The Energy Bill*

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